

UTILITY ADVISORY BOARD

Thursday, January 19, 2012

8:00 a.m.

City of Walker, DPW Conference Room
4243 Remembrance Road, NW

AGENDA

1. Approval of Minutes – December 15, 2011 (Attachment 1)
2. Public Comment on Agenda Items
3. Sustainable Energy Option Recommendations
 - Water (to be distributed at the meeting)
 - Sewer (Attachment 2)
4. Quarterly Financial Reports – FY2012 2nd Quarter
 - Financial Reports for Water and Sewer (to be distributed at meeting)
 - Statistical Data Graphs (Attachment 3)
 - Daily Treated
 - Rain Compared to Temp
 - YTD Billed Flow
5. ACSET/Individual Circuit Breaker Reports and Maps (Attachment 4)
 - 4th Quarter 2011 Report and Map
 - 2011 Annual Report and Map
 - Contract Summary 2007-2011
4. Customer Information System Update
5. Contract Awards for 2011 (to be distributed at meeting)
6. Correspondence
 - Note from JoAnn Becker (Attachment 5)
7. Items from Members
8. Next Meeting – Thursday, February 16, 2012, Where?
9. Adjournment

**Utility Advisory Board
December 15, 2011**

1. Call to Order

The meeting was called to order by Eric DeLong at 8:00 a.m., at East Grand Rapids Community Center, 750 Lakeside Drive SE.

2. Attendance:

Members Attending:

Joann Becker
Scott Buhner
Bill Cousins
Mark De Clercq
Eric DeLong
Brian Donovan
George Haga
Wayne Jernberg
Mike Lunn
Pam Ritsema
Ed Robinette
Chuck Schroeder
Joellen Thompson
Cathy VanderMeulen
Ron Woods

Others Attending:

Haris Alibasic
John Allen
Steve Kepley
Paul Kuklowski
Kathie Kuzawa
Jeff McCaul
Nancy Meyer
Scott Saindon
Jack Stewart
Gary Szotko
Linda Wagenmaker
Mike Wahlfield, MI Groundwater Assoc.

Members Absent:

Toby VanEss

3. Approval of Minutes

Motion 11-18: Cathy VanderMeulen, supported by Ron Woods, moved to approve the minutes of the October 20, 2011, meeting of the Utility Advisory Board as presented. Motion carried.

Motion 11-19: Cathy VanderMeulen, supported by Ron Woods, moved to approve the minutes of the November 17, 2011, meeting of the Utility Advisory Board as presented. Motion carried.

4. Public Comment

Mike Wahlfield introduced himself as a representative of the Michigan Groundwater Association. He wished Joann Becker a happy retirement. He indicated that sustainable energy options are items that are near and dear to his heart. He thinks that hiring a Sustainability Director and the rain barrel projects he has read about are great things.

He wonders what is being done for catching rain water from industrial buildings. There are lots of new technologies out now that he has seen used in other areas of the country. Reusing the rain water can be a valuable resource. He saw two projects in Lima, Ohio, where they capture their rainwater in large underground reservoirs and use it to wash fire trucks and other equipment.

Eric DeLong indicated that development in the City now is incented to use Low Impact Design. He agrees with Mr. Wahlfield's comments. Brian Donovan noted East Grand Rapids uses lake water for irrigation. Wayne Jernberg said there has been discussion on capturing rain water for use in irrigation. It was also noted that the City partners with WMEAC and Coca Cola to provide rain barrels to residents.

5. Retirement of JoAnne Becker

Eric DeLong recognized Ms. Becker for her faithful service in Wright Township and on the Utility Advisory Board.

Motion 11-20: Cathy VanderMeulen, supported by Bill Cousins, moved that the retirement of JoAnn Becker from the Utility Advisory Board be accepted and that Ms. Becker be commended and thanked for her commitment and contributions to the Board over the last eleven years and acknowledged for her many years of dedicated service to Wright Township; and further resolved, that an appropriate Certificate of Appreciation be presented to Ms. Becker on behalf of the Utility Advisory Board. Motion carried.

Joanne Becker then made a few brief comments upon her retirement.

6. Environmental Services Report

a. Hach Big Picture Video

Mike Lunn introduced Kathie Kuzawa, Stormwater/Wastewater Supervisor. Ms. Kuzawa manages the Footing Drain Disconnection Program. He also introduced Paul Kuklowski, Water Pollution Control Inspector. Mr. Kuklowski is involved with preparing the Environmental Tips.

The City won an award and received \$40,000 worth of Hach equipment for the video. The Hach video was played for the membership. Mike Lunn displayed one type of new equipment they have already received from Hach to use to check water quality.

b. Footing Drain Disconnection Program

Kathie Kuzawa explained the difference between the Sump Pump Program and the Footing Drain Disconnection Program. The Footing Drain Disconnection Program is in the City of Grand Rapids only and only within certain target areas that have been approved by the City. She explained changes that have been made to that program to make it more efficient and effective.

c. Environmental Tips

Paul Kuklowski noted that this has been a highly successful public education program. Copies of Tips No. 1-4 were distributed to members. Brian Donovan asked that copies of the tips be sent to customer communities so they can be added to their websites, etc.

Tip #5 was displayed. It is titled, "Report it—don't Ignore it." This will be a 311 application that will be available soon. Tip #6 was displayed. It is titled, "We never close! 24/7/365."

Bill Cousins asked if the tips would be mailed with water bills. Mr. Kuklowski indicated that they will be periodically mailed with water bills. It was noted that when a report comes in from a customer community the community should be notified somehow. Mr. Kuklowski indicated they could do this.

Mike Lunn reported that the West Michigan Take Back the Meds program has collected and disposed of over 11,000 pounds of pharmaceuticals. Ron Woods asked if there were monitoring requirements from the State. Mike Lunn said that there aren't any such requirements at this time.

7. Water System Report

a. Emergency Exercise Video

Joellen Thompson said the video was produced as a result of the full scale exercise. Jack Stewart from Kent County Emergency Management and Gary Szotko of the G.R. Fire Department and the City's Emergency Manager were present to answer any questions regarding the video. There were 3 parts to the exercise—a table top back in May, then in June of 2010 the full scale exercise was held at the water treatment plant, and then a table top exercise follow up was held. The video was then shown.

Jack Stewart noted that this was one of the largest exercises done in west Michigan. It worked well. He was pleased with the efforts of all of the responders.

Eric DeLong asked what the takeaways were from the exercise. Joellen Thompson indicated that she learned that we are quite unprepared for something of this magnitude. Some of our internal communications need to be worked on. An after-action report was prepared, and they are working to make changes based on that. Gary Szotko noted that this has prompted additional discussions with our health care community. One recommendation that came from the exercise was to assign a Public Information Officer in Water Utilities.

b. Customer Information System

Wayne Jernberg reported that they are approaching final testing on several items. They are still coming across and dealing with some small issues as they go along. Customer communities have been trained, and now we need to make sure they have the software and equipment upgrades as needed at their sites. Those that need software, etc., should call Mr. Jernberg so he can coordinate with their IT staff.

Bill Cousins said he got a notice that someone would be contacting them but he hasn't heard any more. He will send the email to Wayne to see what it was about.

8. Green Blocks

Haris Alibasic reported that staff have been developing ideas for use of the excess funds. We are still working on developing all the final details on cost and return on investment.

Joellen Thompson distributed information on four possible water projects that could make use of the \$25,000 Water portion of the savings. They are working now to update the information and determine current return on investment. She hopes to have more detail and a specific plan by next month.

Mike Lunn noted that Consumers Energy and DTE will be coming out with rebates soon. They would like to spend the funds in a way that we can take advantage of these rebates. They will also put together the details on this and bring it back to a future UAB meeting for review and approval.

Mr. DeLong noted that staff will go ahead and renew the contracts for the Green Blocks at the reduced rate and plans for the use of the approximately \$50,000 in funding that we will save will be presented at a future meeting.

9. Meeting Schedule for 2012

Motion 11-21: Bill Cousins, supported by Brian Donovan, moved to approve the 2012 Meeting Schedule for the Utility Advisory Board as presented. Motion carried.

10. Updates

Rate Study Approval

Eric DeLong noted that one member of the public spoke at the public hearing and noted that the rates don't take conservation into consideration. He then referred members to the metrics that were included with the meeting packet and reviewed the information provided. He noted that staff will continue to refine these metrics more as we go forward. Rate resolutions should be approved next Tuesday by the Grand Rapids City Commission.

Ron Woods said the graphical information is very helpful when presenting to his Commission. They appreciate this type of information.

Bill Cousins asked about the costs shown for EMA for GIS. He asked why EMA instead of Cityworks or REGIS. Wayne Jernberg noted that EMA was involved with both GIS and the CIS project. They provide technical support for GIS.

Mr. Cousins noted that he thought it important that it be stated somewhere what the City is doing with retiree health care obligations. Scott Buhrer noted that the City is dealing with the reduction of these costs. He noted that it actually will go up each year until 2019, but the cost as a percentage of payroll should stay relatively flat. He also explained the changes that have been made to move staff over to a defined contribution plan. Mr. Cousins stated that it is important to note this in these documents because his staff has no retiree health care and are paying for this. Eric DeLong said a summary of the changes made in total compensation could be put together if that would be helpful for members. Eric DeLong and Pam Ritsema will work with Scott Buhrer on a description on this so members have it for their use.

Contract Awards for November

Mark De Clercq briefly reviewed the projects as listed on the information provided in the meeting materials.

Grand Rapids City Commission Mid-Year Update

Eric DeLong reported that an update was given to the Grand Rapids City Commission on November 29. He explained the Transformation Investment Plan and the need to meet the goals of the Plan by the end of 2015. All of the information from the update is provided on the City's website.

Cogsdale Financial Management and Segment Seven of Comprehensive Master Plan

Eric DeLong reported that the Fiscal Group is implementing a new financial system at the City. Go Live was December 1. This system will allow us to get more helpful reports. Segment 7 was the financial modeling piece of the Comprehensive Master Plan. He has asked Linda Wagenmaker and Scott Saindon to review this segment and see what we can do with the new system to present even more effective metrics for the Water and Sewer systems.

11. Items from Members

Eric DeLong indicated that the City Engineering business model is changing. In 2005 Engineering became its own internal service fund. This year it was realized that a change would need to be made. They will be changing from a percentage basis of billing to a billable hours model. There was a large decrease in the number and size of projects. Staffing will decrease from about 35 to 21. There will also be some position adjustments.

Bill Cousins thanked the UAB and the City for their interest in the issues being experienced with the airport with stormwater and run-off.

Scott Saindon reported that they met recently with ACSET about the Individual Circuit Breaker contract which expires at the end of this month. ACSET thinks the program is working well so there isn't a need to make any big changes, and they will be requesting to extend a similar agreement. The plan is to keep the administrative fee at 10%.

Motion 11-22: Cathy VanderMeulen, supported by Ron Woods, moved that staff are authorized to move forward with renewal of the Individual Circuit Breaker contract with ACSET under the same terms and conditions as the previous contract. Motion carried.

Joanne Becker noted upon her retirement that it's been nice working with everyone on the Utility Advisory Board.

Jack Stewart reported that the five-year revision of the Emergency Management plan has been sent to FEMA now. It is available on the Access Kent website.

Scott Buhrer noted that on May 31 the mainframe computer will be decommissioned. Water/Sewer and the financial system were the big users of this system. This will be a large cost savings.

12. Next Meeting

The next meeting of the UAB will be held on Thursday, January 19, 2012, at the City of Walker.

/nlm

The projects below assume \$24,500 for FY12 and the same in FY13.

Pretreatment

In the existing WWTP Pretreatment Building, there are currently 14 each 175 Watt and 2 each 250 Watt Mercury Vapor fixtures in the Screening Room and 8 each 175 Watt and 4 each 250 Watt Mercury Vapor fixtures in the Screenings Collector Room. The current total cost for lighting these two rooms is \$3,327.49 per year calculated at 7.1 cents per kWh. The existing fixtures are left on 24 hours a day, 365 days a year due to the lengthy warm up time for this type of lamp. It is also noteworthy that even with this large quantity of light fixtures, the lighting level in the rooms has consistently been poor. We have also experienced a tremendous amount of lamp failures since these fixtures were installed. In the last 3 years, there have been 52 lamps replaced. These rooms require explosion proof fixtures.

We are proposing to replace all 28 of these fixtures with a total of 12 LED type fixtures at an initial cost of \$10,146.60, plus our own work force labor to install them (\$2,800). The advantages of these proposed fixtures will be better lighting and lower operating costs. Not only will they use less electricity when lit, they can be turned off when the building is unoccupied due to their "instant on" capability. The operating cost for the proposed fixtures, if they are on 4 hours per day, would be \$186.59 per year for an annual savings of \$3,140.90. This would result in a payback time of 4.12 years on our investment based only on electrical savings. Additionally, it is possible to apply for a rebate from Consumers Power.

M.A.R.B

In the existing Market Avenue Retention Basin main building, there are currently 28 each 250 Watt and 21 each 150 Watt High Pressure Sodium fixtures. In the Disinfection Rooms of the facility there are currently 20 each 250 Watt High Pressure Sodium fixtures. The current total cost for lighting these buildings, averaging 8 hours per day, is \$3,140.90 per year calculated at 7.1 cents per kWh.

ESD Green Block Savings Reinvestment

The existing fixtures are sometimes left on for long periods of time due to the lengthy warm up time for this type of lamp.

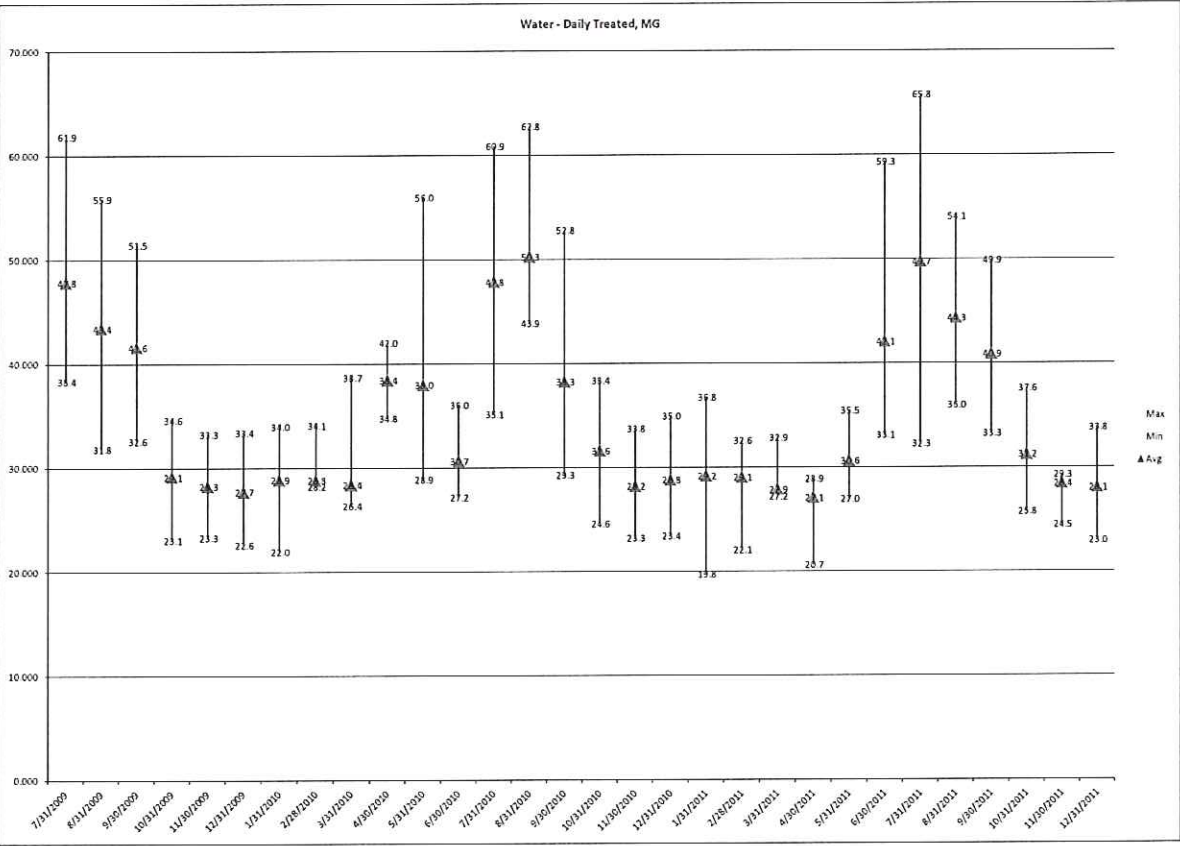
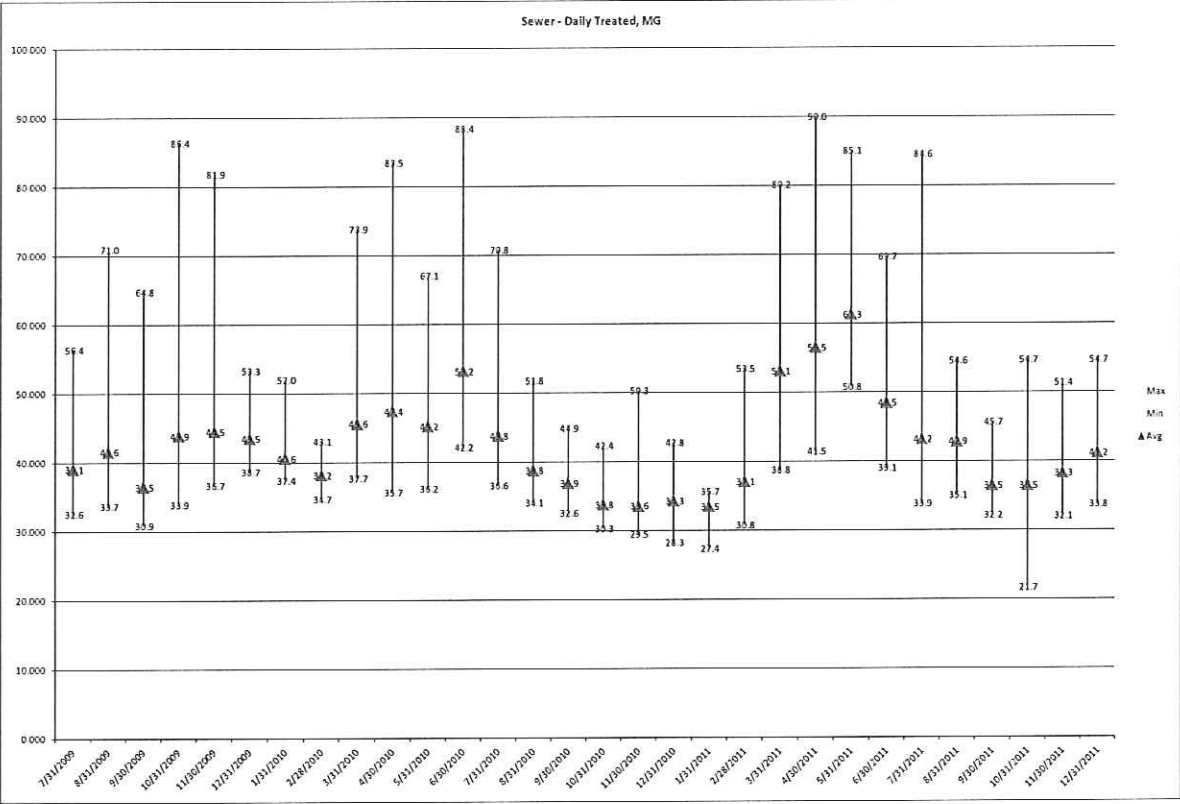
We are proposing to replace all 69 of these fixtures with a total of 34 LED type fixtures at an initial cost of \$20,400.00, plus our own work force labor to install them (\$9,000). The advantages of these proposed fixtures will be better lighting and lower operating costs. Not only will they use less electricity when lit, they can be turned off when the building is unoccupied due to their "instant on" capability. The operating cost for the proposed fixtures, if they are on 4 hours per day, would be \$528.67 per year for an annual savings of \$2,612.23. This would result in a payback time of 11.25 years on our investment based only on electrical savings. Additionally, it is possible to apply for a rebate from Consumers Power.

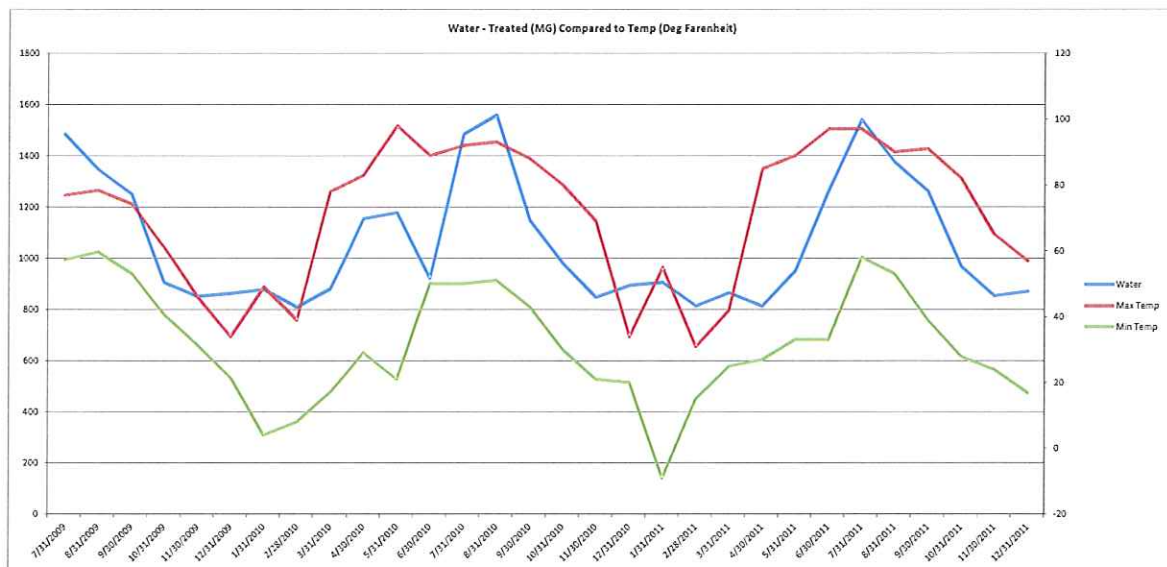
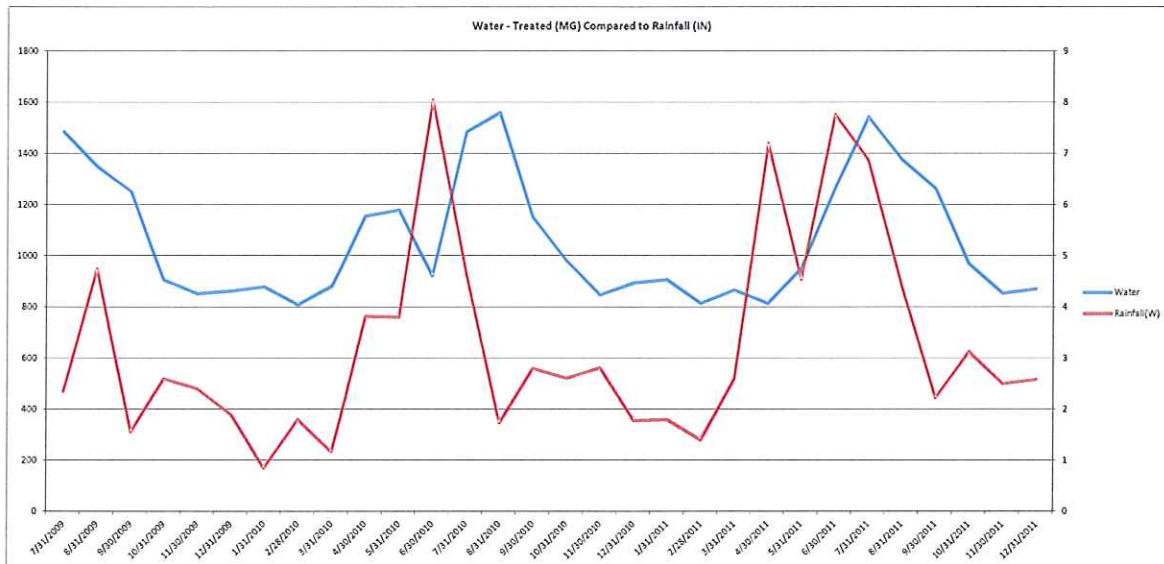
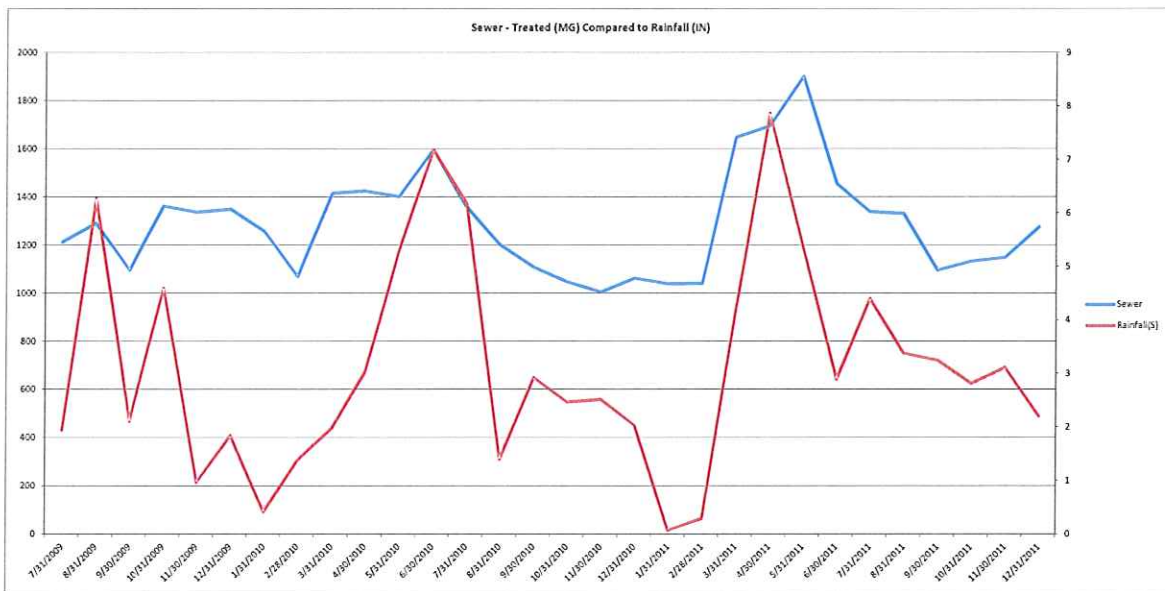
Grit Blower & North Secondary Rebates

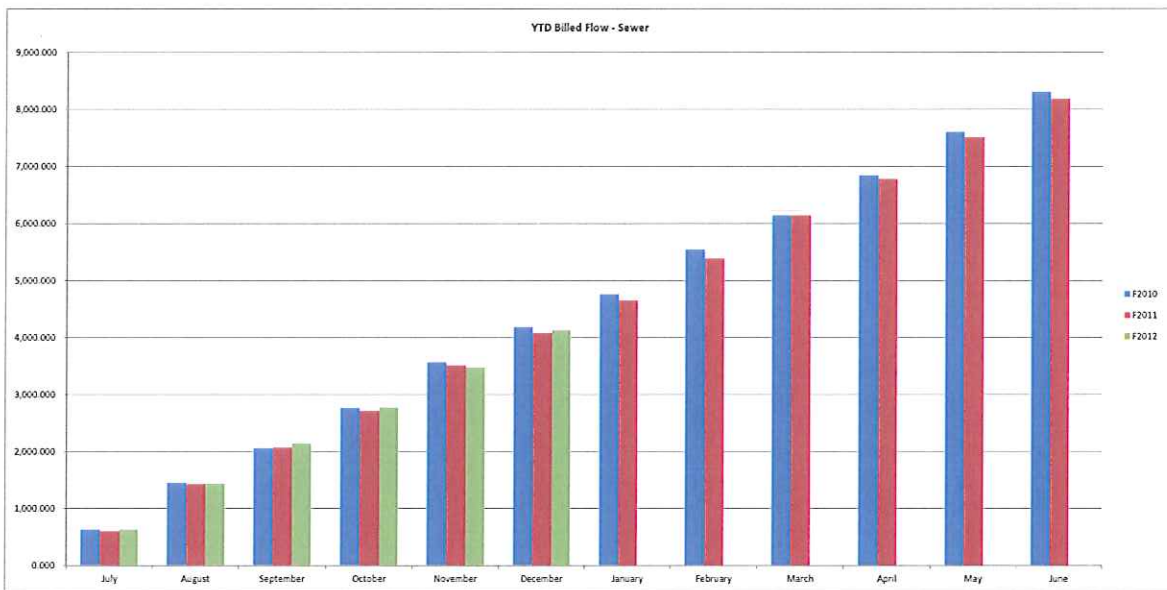
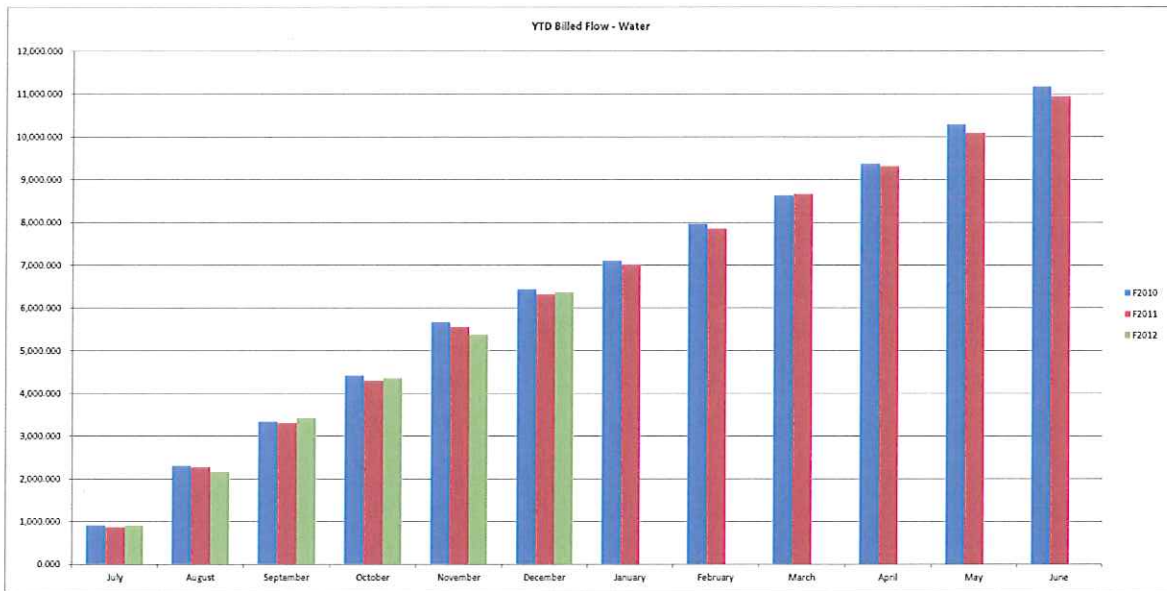
These are energy saving projects which are underway. The existing Grit Blowers are 150 hp and will be replaced with different technology 40 hp blowers. In the North Secondary excess heat from the North Blower Building is being ducted to the North Secondary building to reduce heating costs and has been approved for ~\$700,000 in debt forgiveness through the State Revolving Fund.

Tetra Tech plans to submit the rebate applications to Consumers Energy and DTE by the end of January 2012. Once the amount is determined an update will be provided.

Cost Table				
Area	Material	Labor	Total	Payback/Yrs
Pretreatment	\$10,146	\$2,800	\$12,946	4.12
MARB	20,400	9,000	29,400	11.25
Grit/N. Sec.		2,500	2,500	N/A
Sub-Total			44,846	
Contingency			4,485	
Total			49,331	







Area Community Service Employment Training Council (ACSET)
Water/Sewer Assistance - ICBAP
Fourth Quarter - October 1 through December 31

	<u>2011</u>	<u>2010</u>
City of Grand Rapids		
Grant Amount Authorized	\$ 158,006.00	\$ 153,160.00
First Draw	(80,000.00)	(80,000.00)
Second Draw	(78,006.00)	(73,160.00)
Unused Balance	<u>\$ -</u>	<u>\$ -</u>
ACSET		
First Draw	\$ 80,000.00	\$ 80,000.00
Used 1/1-3/31	(15,699.84)	(17,343.43)
Admin. Fee 1/1-3/31	(1,569.98)	(1,734.34)
Available Balance	\$ 62,730.18	\$ 60,922.23
Second Draw	\$ 78,006.00	\$ -
Available Balance	\$ 140,736.18	\$ 60,922.23
Used 4/1-6/30	\$ (72,971.46)	\$ (48,500.16)
Admin. Fee 4/1-6/30	(7,297.15)	(4,850.02)
Available Balance	\$ 60,467.57	\$ 7,572.05
Second Draw	\$ -	\$ 73,160.00
Available Balance	\$ 60,467.57	\$ 80,732.05
Used 7/1-9/30	\$ (48,989.19) **	\$ (58,505.00)
Admin. Fee 7/1-9/30	\$ (4,898.92)	\$ (5,850.50)
Available Balance	<u>\$ 6,579.46</u>	<u>\$ 16,376.55</u>
Used 10/1-12/31	\$ (4,544.51)	\$ (13,667.61)
Admin. Fee 10/1-12/31	\$ (454.45)	\$ (1,366.76)
Available Balance	<u>\$ 1,580.50</u>	<u>\$ 1,342.18</u>
Total Water Client Assistance	\$ 142,205.00	\$ 138,016.20
Total Admin. Fee Paid	15,801.00	15,143.80
Total Grant Used	<u>\$ 158,006.00</u>	<u>\$ 153,160.00</u>

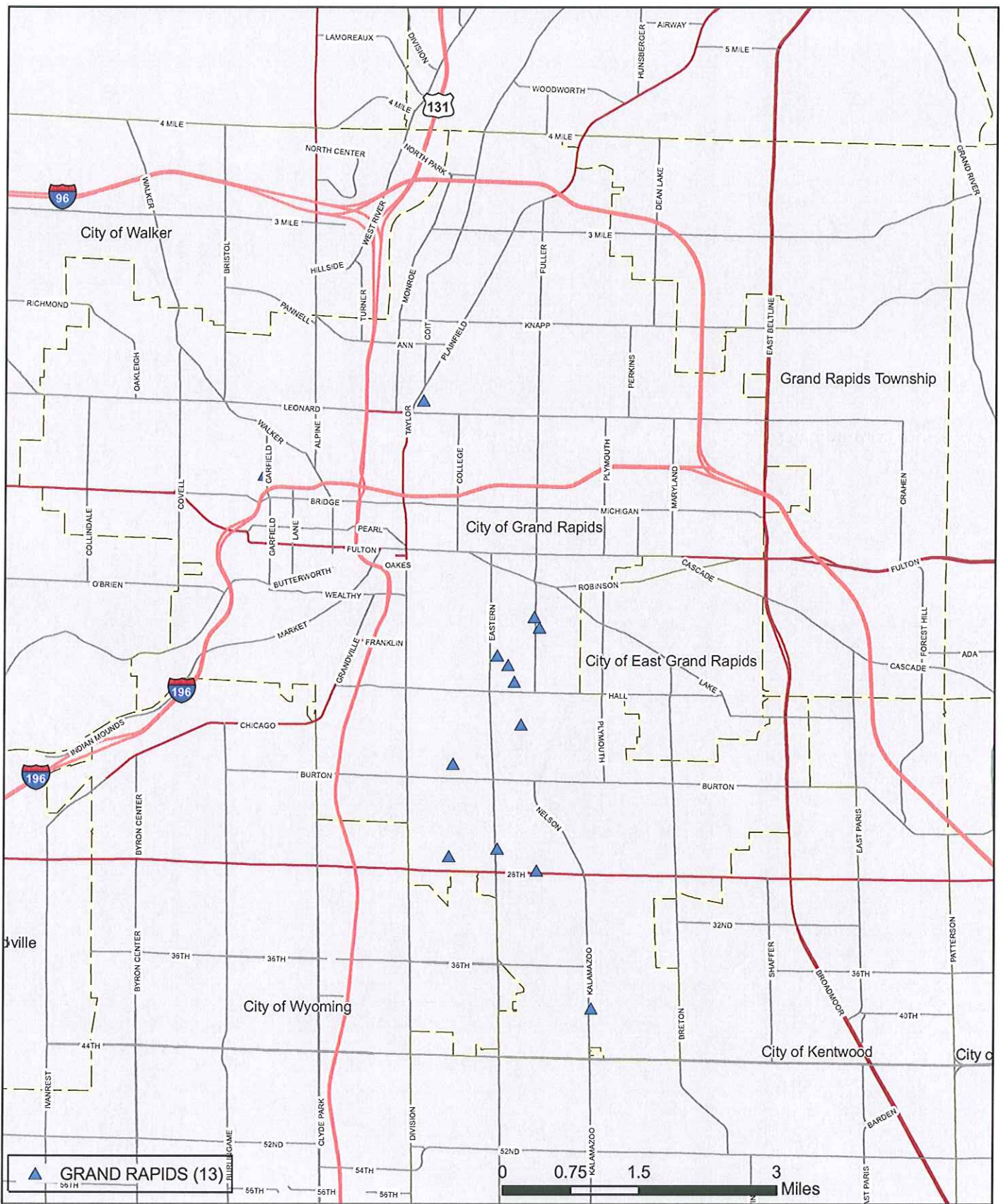
** Revised upward by \$379.79 post-3rd quarter report.

Demographic Summary for 4th Quarter

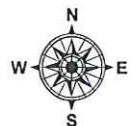
Total Households Served	13	39
Total Persons Served	40	118
Average Household Size	3	3
No. of Single Head of Family	8	16
Average Request Amount	\$349.58	\$350.45
Failed Screening Process	24	63
Denied After Completed Process	0	0

Households by Jurisdiction for 4th Quarter

Grand Rapids	13	38
Cascade Township	0	1
Grand Rapids Township	0	0
Kentwood	0	0
Tallmadge Township	0	0
Walker	0	0
Wright Township	0	0



Q4 Calendar 2011 ACSET/ICBAP Clients



Area Community Service Employment Training Council (ACSET)
Water/Sewer Assistance - ICBAP
Full-Year Annual Report - January 1 through December 31

	<u>2011</u>	<u>2010</u>
City of Grand Rapids		
Grant Amount Authorized	\$ 158,006.00	\$ 153,160.00
First Draw	(80,000.00)	(80,000.00)
Second Draw	(78,006.00)	(73,160.00)
Unused Balance	<u>\$ -</u>	<u>\$ -</u>
ACSET		
First Draw	\$ 80,000.00	\$ 80,000.00
Used 1/1-3/31	(15,699.84)	(17,343.43)
Admin. Fee 1/1-3/31	(1,569.98)	(1,734.34)
Available Balance	<u>\$ 62,730.18</u>	<u>\$ 60,922.23</u>
Second Draw	<u>\$ 78,006.00</u>	<u>\$ -</u>
Available Balance	<u>\$ 140,736.18</u>	<u>\$ 60,922.23</u>
Used 4/1-6/30	\$ (72,971.46)	\$ (48,500.16)
Admin. Fee 4/1-6/30	(7,297.15)	(4,850.02)
Available Balance	<u>\$ 60,467.57</u>	<u>\$ 7,572.05</u>
Second Draw	<u>\$ -</u>	<u>\$ 73,160.00</u>
Available Balance	<u>\$ 60,467.57</u>	<u>\$ 80,732.05</u>
Used 7/1-9/30	\$ (48,989.19) **	\$ (58,505.00)
Admin. Fee 7/1-9/30	\$ (4,898.92)	\$ (5,850.50)
Available Balance	<u>\$ 6,579.46</u>	<u>\$ 16,376.55</u>
Used 10/1-12/31	\$ (4,544.51)	\$ (13,667.61)
Admin. Fee 10/1-12/31	\$ (454.45)	\$ (1,366.76)
Available Balance	<u>\$ 1,580.50</u>	<u>\$ 1,342.18</u>
Total Water Client Assistance	\$ 142,205.00	\$ 138,016.20
Total Admin. Fee Paid	15,801.00	15,143.80
Total Grant Used	<u>\$ 158,006.00</u>	<u>\$ 153,160.00</u>

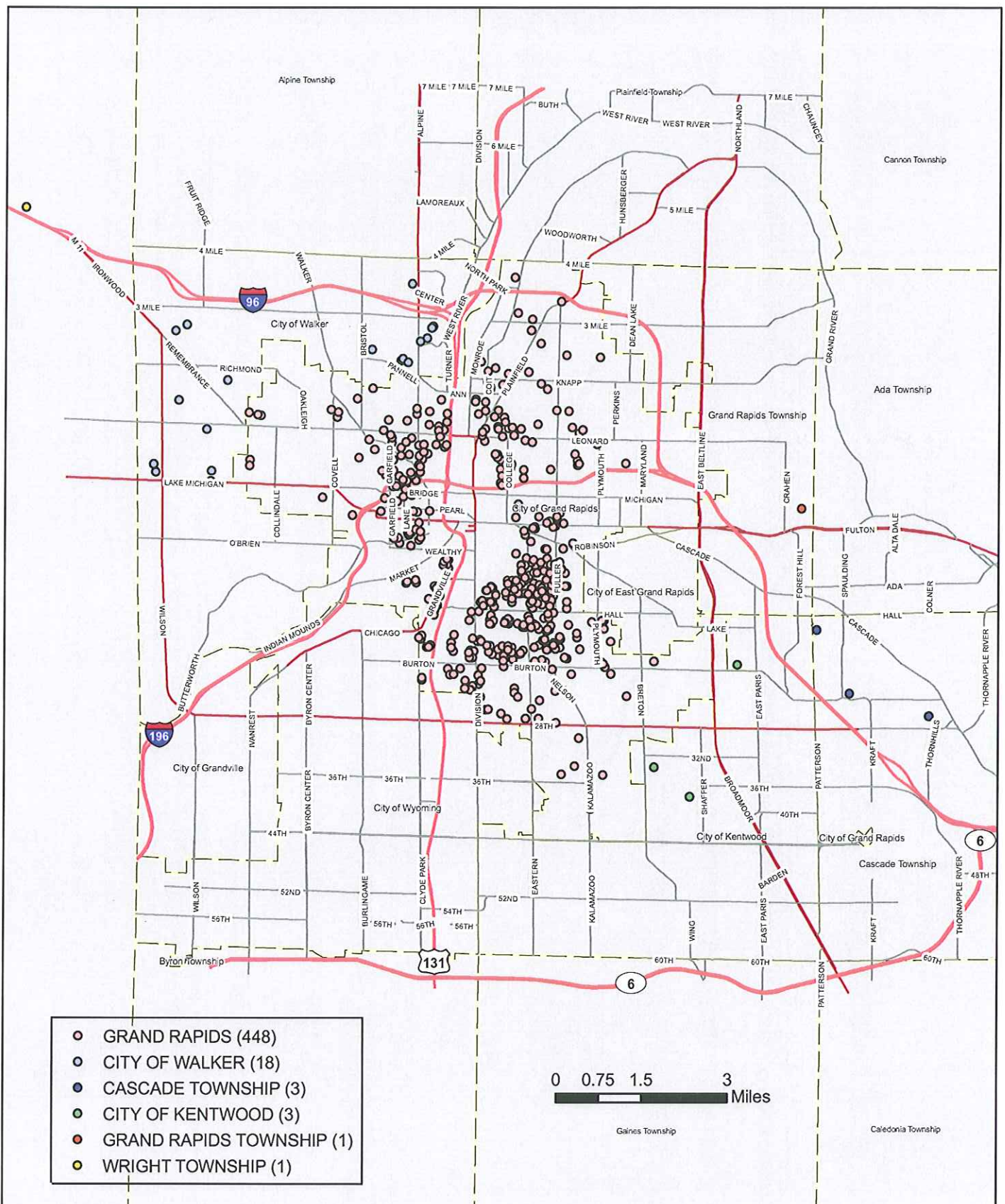
** Revised upward by \$379.79 post-3rd quarter report.

Demographic Summary for Calendar 2011

Total Households Served	474	420
Total Persons Served	1,562	1,337
Average Household Size	3.3	3.18
No. of Single Head of Family	231	192
Average Request Amount	\$300.01	\$328.61
Failed Screening Process	149	229
Denied After Completed Process	1	11

Households by Jurisdiction for Calendar 2011

Grand Rapids	448	415
Cascade Township	3	1
Grand Rapids Township	1	1
Kentwood	3	0
Tallmadge Township	0	0
Walker	18	3
Wright Township	1	0



Calendar 2011 ACSET/ICBAP Clients

Area Community Service Employment Training Council (ACSET)
Water Assistance - ICBAP
Contract Summary
2007 - 2011

	2011	2010	2009	2008	2007
City of Grand Rapids					
Grant Amount Authorized	\$158,006.00	\$153,160.00	\$136,652.00	\$128,979.00	\$116,000.00
First Draw	(\$80,000.00)	(\$80,000.00)	(\$80,000.00)	(\$30,000.00)	(\$29,106.00)
Second Draw	(\$78,006.00)	(\$73,160.00)	(\$40,000.00)	(\$30,000.00)	(\$29,106.00)
Third Draw	\$0.00	\$0.00	(\$16,652.00)	(\$60,000.00)	(\$29,106.00)
Unused Grant Balance	\$0.00	\$0.00	\$0.00	\$8,979.00	\$28,682.00
ACSET					
First Draw	\$80,000.00	\$80,000.00	\$80,000.00	\$30,000.00	\$29,106.00
Second Draw	\$78,006.00	\$73,160.00	\$40,000.00	\$30,000.00	\$29,106.00
Third Draw	\$0.00	\$0.00	\$16,652.00	\$60,000.00	\$29,106.00
Actual Amount Used	(\$142,205.00)	(\$138,016.20)	(\$122,986.80)	(\$71,562.81)	(\$77,379.18)
Admin. Fee	(\$15,801.00)	(\$15,143.80)	(\$13,665.20)	(\$7,157.19)	n/a
Expired Balance Refunded to City	\$0.00	\$0.00	\$0.00	(\$41,280.00)	(\$9,938.82)

Demographic Summary

Total Households Served	474	420	356	221	232
Total Persons Served	1,562	1,337	1,175	755	790
Average Household Size	3.30	3.18	3.30	3.42	3.41
No. of Single Head of Family	231	192	195	137	142
Average Request Amount	\$300.01	\$328.61	\$345.47	\$323.81	\$333.53
Failed Screening Process	149	229	65	n/a	n/a
Denied After Completed Application	1	11	3	n/a	n/a

Households by Jurisdiction

Grand Rapids	448	415	334	214	224
Kentwood	3	0	5	1	1
Grand Rapids Twp.	1	1	3	1	1
Walker	18	3	12	3	5
Tallmadge Twp.	0	0	1	0	0
Cascade Twp.	3	1	1	2	1

JOANN BECKER, 17690 14TH AVENUE, CONKLIN MI, 49403

January 4, 2012

Mr. Eric DeLong, Deputy City Mgr.
300 Monroe Avenue NW
Grand Rapids MI 49503

Dear Eric,

It was quite a surprise to be presented with the attractive plaque recognizing my UAB service at the December meeting. The beautiful plaque will be proudly displayed in my home. Eric, I wish to thank you and Nancy along with all of the members of the Utility Advisory Board for recognizing my service. I will miss the relationships forged with those who regularly attend the UAB meetings.

Thanks also to Linda and Jo Ellen for attending my Farewell Party. When I mentioned that I will miss seeing all of you, Jo Ellen suggested that I could appear as a citizen – that actually could be fun.

Best wishes to all of you for 2012 and beyond.

Sincerely,

A handwritten signature in blue ink that reads "Joann Becker". The signature is fluid and cursive, with the first name "Joann" and last name "Becker" clearly legible.